

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BELLSOUTH TELECOMMUNICATIONS,)	
INC.'S REQUEST FOR CONFIDENTIAL)	
TREATMENT OF INFORMATION FILED)	CASE NO. 96-552
IN SUPPORT OF ITS PROPOSED)	
CONTRACT WITH FEDERAL EXPRESS)	
CORPORATION)	

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed November 8, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a special service arrangement contract with Federal Express Corporation for provision of WatsSaver® Service on the grounds that disclosure of the information is likely to cause BellSouth competitive injury and it appearing to this Commission as follows:

BellSouth has entered into an agreement with Federal Express Corporation for provision of Aggregated WatsSaver® Service plan and an Aggregated Toll Free Dialing Add On plan. In support of the agreement, BellSouth has submitted cost information which it seeks to protect as confidential.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those employees who have a business need to know and act upon the information. BellSouth seeks to preserve and protect the

confidentiality of the information through all appropriate means including the maintenance of security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

BellSouth's competitors for WatsSaver® Service are interexchange carriers and cellular carriers. While BellSouth's WatsSaver® Service does compete with similar services provided by cellular carriers, their limited market does not allow them to provide meaningful competition for services offered by BellSouth. Nevertheless, disclosure of the information would enable interexchange carriers to determine BellSouth's cost and contribution from the service which they could use in marketing their competing services to the detriment of BellSouth. Therefore, disclosure of the information is likely to cause BellSouth competitive injury and the information should be protected as confidential.

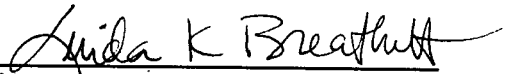
This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost support data filed in support of the proposed contract with Federal Express Corporation for WatsSaver® Service, which BellSouth has petitioned

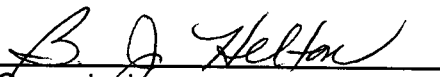
to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 16th day of December, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director